

PUEBLO OF ACOMA
STATEMENT BEFORE THE INDIAN AFFAIRS COMMITTEE
DECEMBER 9, 2013

Good afternoon Madame Chair and Members of the Committee, my name is Gregg Shutiva, Governor of the Pueblo of Acoma. I want to thank the Committee for allowing the tribes still operating under the 2001 gaming compact and still negotiating with the Governor's Office to provide a status report on negotiations.

- First of all, I want to extend my appreciation to members of the Committee for their comments this morning regarding the benefits derived from Indian gaming, especially for Native and non-Native communities in rural areas of the state, but more especially, I appreciate the concerns expressed regarding the direction negotiations need to go in order for tribes to successfully negotiate agreements with the State.
- Presently, the Pueblo is negotiating with the office of Governor Susana Martinez to reach compact terms that will hopefully be presented to legislative body in January 2014. The Pueblo of Acoma has attempted to negotiate terms with the State of New Mexico regarding revenue sharing rates, exclusivity, limits on number of facilities, regulatory fees, industry standards, including alcohol on the gaming floor,

credit, comps and hours of operation, and finally, the definition and calculation of so called “net win”, among others. The State has sought to include provisions that include the collection of child support payments from a player’s winnings and a limit on Class II gaming as well as a placing a cap on the number of facilities.

- Acoma has been at the negotiating table...and has stayed there tirelessly, in hopes of arriving at an agreement that meets our needs and allows us to survive economically. We are in a very rural part of the state where jobs are scarce and where the Sky City Casino has become the number one employer in our area.
- I can report that the negotiations between Acoma and the State have resulted in real significant progress, but a number of key “money” issues have not yet been resolved. We met right before Thanksgiving and exchanged proposals. The Governor’s Office responded to our latest offer late last Friday with its bottom line. I need to meet with my gaming task force and then consult with my Tribal Council and determine our bottom line.
- I can tell you that Acoma has negotiated within the framework of existing compact, but we sorely need a reduction in the state share of revenue to survive

economically. The Governor's Office has moved in that direction...to some extent, but Acoma needs to evaluate whether the State has moved far enough.

- Madame Chair, as you know, the economy has changed dramatically since Acoma last negotiated a compact. The economy today is not the same as it was in 2001. Acoma is still trying to recover from the recession and the economic fall out from a few years back and now, we are dealing with the federal sequestration. For many tribes, the impact has been tremendous, especially for Acoma.
- We are heavily reliant on revenue from gaming. It really is our only major source of revenue. Those funds are used to run tribal government, including funding tribal programs, taking care of our children, our elderly, maintaining roads, sewer and water systems, operating our tribal courts, police and fire departments and providing emergency services. We also use gaming revenue for language preservation and protecting cultural resources.
- But more than anything, we provide jobs with our gaming dollars. With the revenue we generate, we employ some 500 people...both Indians and non-Indians. We employ folks from neighboring communities, tribes and land grants at both

the Sky City Casino & Hotel, and at our tribal offices.

Currently, Acoma is the largest employer in Cibola County.

- Presently under our compact agreement we send over a million dollars a year to the state in revenue share payments. And that's huge for a small gaming tribe like ours. In addition, you need to know that we send the state an additional \$2 million dollars a year in a Special Fuels Tax based on the sale of diesel at our travel center.
- I agree with the tribal leaders who have spoken. The compact we negotiate needs to primarily benefit the tribes, first and foremost. Reducing revenue share and the payments to the State is essential. That's why the Indian Gaming Regulatory Act was created so tribal economies can become self-sustaining and self-sufficient. The State already has revenue streams in place. It shouldn't have to squeeze every last single cent out of the gaming tribes. But it feels like that's what has been occurring.
- Acoma currently operates under a compact that calls for one flat rate for revenue sharing for the length of the compact. Under the 2007 and 2013 compacts, the agreements call for a rising revenue share rate until 2037.
- Acoma prefers one level, low rate under a rate structure that can work for us economically for the life of our compact.

- Some final comments, Madame Chair...For Acoma, gaming is the only economic development that has truly worked, providing jobs and a bi-weekly paycheck to hundreds of families. But as I mentioned, our revenues have dropped significantly. Since 2008 we have had to make some tough choices. Every year, we have been forced to reduce our budgets dramatically, lay off staff, cut back on services and closely monitor our financial picture. It's tough living on the reservation...but it's become even tougher with the economy barely recovering.
- We need jobs. We need to reduce the high unemployment in our community and in surrounding communities, where the unemployment rate often reaches double digits.
- I need to make this comment Madame Chair...the Governor of New Mexico and the Legislature signed off on a bill this past session that offered out-of- state corporations a much lower tax rate in order to attract businesses to New Mexico. However, the State is unwilling to offer the state's gaming tribes that same kind of deal. There is something significantly wrong with that picture. We are simply asking for what's right, what's fair under the Indian Gaming Regulatory Act.
- We want revenue sharing provisions that offer "meaningful

concessions". Once we've negotiated a compact, we want to be able to show the legislature and the federal Office of Indian Gaming how Acoma will derive a substantial benefit from negotiating certain provisions, like paying revenue share. The State must also present evidence to the federal government of concessions commensurate with the amount of revenue sharing it's asking of tribes, including mine. As you now know, once a compact has been negotiated and signed off by the state legislature, the Department of Interior will measure substantial benefits and concessions received by a tribe, compact-by-compact.

- Finally Madame Chair, we want to create sound and sustainable business and economic development on Acoma tribal lands. In order to do that, we need to negotiate a fair and favorable gaming compact with meaningful concessions by the state. We aren't quite there yet. We remain at the negotiating table with the Governors office and with the goal of getting a compact to the legislature by the 2014 session. We'll see.
- Thank Madame Chair and members of the Committee.